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Proposed Counsel for the
Official Committee of Unsecured Creditors

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In re:	:	Chapter 11
	:	
DESIGNER LICENSE HOLDING	:	Case No. 09-17661 (JMP)
COMPANY, LLC, <i>et al.</i> ¹	:	
	:	Jointly Administered
Debtors.	:	
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**APPLICATION FOR AN ORDER AUTHORIZING
EMPLOYMENT AND RETENTION OF EXECUTIVE SOUNDING BOARD
ASSOCIATES INC. AS FINANCIAL ADVISORS TO THE OFFICIAL COMMITTEE
OF UNSECURED CREDITORS *NUNC PRO TUNC* TO FEBRUARY 1, 2010**

The Official Committee of Unsecured Creditors (the “Committee”) of Designer License Holding Company, LLC ((the “Debtor,” and together with Designer Equity Holding Company, LLC (the “Related Debtor”), the “Debtors”), as and for its application (the “Application”) seeking entry of an order authorizing the employment and retention of Executive Sounding Board Associates Inc. (“ESBA”) as financial advisors to the Committee *nunc pro tunc* to February 1, 2010, pursuant to Section 1103(a) of title 11 of the United States Code, 11 U.S.C. §§ 101 *et seq.* (the “Bankruptcy Code”), Rule 2014 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), and Local Rule 2014-1 of the Local Bankruptcy Rules of the Southern District of New York (the “Local Bankruptcy Rules”), submits the Affidavit of

¹ The Debtors in these proceedings are Designer License Holding Company, LLC, and Designer Equity Holding Company, LLC.

James W. Fox (the “Fox Affidavit”), attached hereto as Exhibit A and incorporated herein by reference, in support of the Application and respectfully represents as follows:²

PRELIMINARY STATEMENT

The Committee has selected ESBA as its financial advisors to conduct financial investigations that are necessary and appropriate to the proceeding and to provide assistance, including, but not limited to, analyzing the Debtors’ assets and operations, analyzing asset sales proposed by the Debtors, analyzing the Debtors’ pre-petition and post-petition financing, and to the extent ESBA and the Committee deem it appropriate, to actively search for potential purchasers and alternative financing choices and such other assistance as further defined herein and as may be deemed necessary in ESBA’s role as financial advisors.

BACKGROUND³

The Debtors and their Businesses

1. On December 31, 2009 (the “Petition Date”), the Debtors filed voluntary petitions for relief under Chapter 11 of the Bankruptcy Code in the Bankruptcy Court for the Southern District of New York (the “Court”). The Debtors continue to operate their businesses as debtors-in-possession pursuant to Sections 1107 and 1108 of the Bankruptcy Code. No trustee or examiner has been appointed in these cases.

2. The Debtor is a manufacturer and wholesale distributor of men’s and women’s jeans and sportswear under the “Bill Blass” label and other trademarks listed as an attachment to the schedules. The Debtor’s rights spring from a certain Trademark License Agreement, dated as

² Capitalized terms used herein but not otherwise defined shall have the meaning set forth in the Affidavit of Arnold Simon pursuant to Local Bankruptcy Rules (Docket No. 1).

³ The background facts set forth herein are primarily based upon the representations contained in papers filed by the Debtors in these Chapter 11 cases. As the Committee was just organized and has not yet verified the accuracy of such statements, nothing contained herein or otherwise shall be deemed a waiver of the Committee’s right to dispute or challenge the facts set forth herein.

of January 2, 2007, as amended by a series of written and oral modifications (collectively the “License”), originally made by and between Bill Blass International LLC (“Bill Blass International”), as Licensor and the Debtor, as Licensee.

3. The Related Debtor is an indirect 5.421% equity owner of Bill Blass International with various options to acquire an additional 14.579% interest for a potential 20% equity stake.

The Committee and its Selection of Professionals

4. On January 20, 2010, the Office of United States Trustee for the Southern District of New York appointed three (3) members to the Committee pursuant to Sections 1102(a) and 1102(b) of the Bankruptcy Code. On January 28, 2010, the Trustee appointed two additional members. A list of the five (5) members of the Committee is annexed hereto as Exhibit B. The Committee selected Labels Inter-Global Inc. and Ningbo Hyden’s International, Ltd as its Co-Chairs.

5. On February 1, 2010, at a meeting during which the majority of the Committee members participated, the Committee selected and formally voted to retain ESBA, subject to the approval of the Court.

JURISDICTION AND VENUE

6. This Court has jurisdiction over this Application pursuant to 28 U.S.C. §§ 157 and 1334(b). Venue of these Chapter 11 cases is proper in this Judicial District pursuant to 28 U.S.C. §§ 1408 and 1409. Section 1103(a) of the Bankruptcy Code and Bankruptcy Rule 2014 are the statutory predicates for the relief sought by this Application.

RELIEF REQUESTED HEREIN

7. The Committee seeks to employ ESBA, which maintains offices for accounting and financial advisory purposes at 1350 Broadway, Suite 702, New York, New York, 10018, as its financial advisors in these Chapter 11 cases.

8. The Committee selected ESBA because the professionals of ESBA have considerable expertise in matters of this character as more fully set forth in the accompanying Fox Affidavit. Accordingly, the Committee believes that ESBA is well qualified to provide financial advisory services to the Committee in these Chapter 11 cases.

SERVICES TO BE RENDERED BY ESBA

9. The professional services ESBA will be required to render include, but are not limited to, the following:

- (a) Assist the Committee in refinancing and marketing and sales efforts of the Debtors and their assets, including locating potential purchaser and/or investors;
- (b) Assist the Committee in valuing the Debtors' assets, including, as appropriate, develop and/or review a liquidation analysis;
- (c) Assist the Committee in reviewing and evaluating all key documents in these cases;
- (d) Evaluate all pertinent aspects of the residual trademark inventory pursuant to the realization of maximum value for the same;
- (e) Review the prospects and opportunities for the Debtors as an ongoing business operation;
- (f) Analyze the Debtors' operations prior to and after the Petition Date as the Committee deems necessary;
- (g) Analyze the Debtors' financial information prior to and after the Petition Date as the Committee deems necessary;
- (h) Assist the Committee in evaluating liquidating cash flows and/or other projections prepared by the Debtors-in-Possession or their financial advisors;
- (i) Assist the Committee in reviewing monthly statements of operations submitted by the Debtors-in-Possession or their financial advisors;
- (j) Scrutinize cash disbursements on an ongoing basis for the period subsequent to the Petition Date;

- (k) Conduct financial investigations that are necessary and appropriate to these proceedings, and report thereon to the Committee and its counsel;
- (l) Support the Committee and its counsel in efforts related to litigation and/or contested matters, as necessary;
- (m) Consult with the Committee and its counsel on financial matters and provide such other professional services as may be necessary;
- (n) Analyze transactions with insiders, related and/or affiliated companies;
- (o) Assist the Committee and its counsel in any litigation proceedings against the financing institution of the Debtors, insiders and other potential adversaries, providing testimony if necessary;
- (p) Assist the Committee in reviewing financial aspects of any plan of reorganization submitted by the Debtors or any other party-in-interest;
- (q) Assist the Committee in the financial aspects of developing a proposed plan of reorganization, if necessary;
- (r) Attend meetings of creditors and confer with representatives of the Committee and their counsel; and
- (s) Perform any other services as financial advisors to the Committee that the Committee may deem necessary or that may be requested by counsel or the Committee.

10. ESBA has indicated a willingness to act on behalf of the Committee and render the necessary professional services as financial advisors to the Committee.

11. To the best of the Committee's knowledge, information and belief, and except as is otherwise set forth in the Fox Affidavit, ESBA and its respective employees neither represent nor hold any interest adverse to the Committee, the Debtors, or their estates, the Debtors' creditors or any other party-in-interest herein or their respective professionals in matters relating to these Chapter 11 cases. To the best of the Committee's knowledge, ESBA is a "disinterested person" as that term is defined in section 101(14) of the Bankruptcy Code.

12. The Committee believes that the retention of ESBA is in the best interests of the Committee, the Debtors' estates, and the Debtors' creditors.

COMPENSATION TO ESBA

13. ESBA will be compensated in such amounts as more particularly described in the accompanying Fox Affidavit. ESBA shall seek reimbursement from the Debtors' estates for its expenses, charges, and disbursements. ESBA has agreed that services to be rendered and reimbursement of expenses incurred in connection therewith shall be subject to (i) proper written application(s) by ESBA filed with this Court pursuant to sections 330 and 331 of the Bankruptcy Code and (ii) approval of this Court, as well as (iii) any Order entered by this Court establishing procedures for compensation and reimbursement of expenses incurred by professionals.

NOTICE

14. Notice of this Application has been given to: (a) the Office of the United States Trustee; (b) counsel to the Debtors; (c) counsel to Israel Discount Bank of New York; (d) the top 20 unsecured creditors, and (e) all other persons who have requested notice pursuant to Bankruptcy Rule 2002. The Committee respectfully submits that such notice is sufficient, and requests that this Court find that no further notice of the relief requested herein is necessary or appropriate.

CONCLUSION

The Committee respectfully requests that this Court (a) grant and approve the retention of ESBA as financial advisors to the Committee; (b) enter the proposed order authorizing the retention of ESBA as financial advisors to the Committee; and (c) grant any further relief as is just and proper.

Dated: New York, NY
February 25, 2010

THE OFFICIAL COMMITTEE OF
UNSECURED CREDITORS OF DESIGNER
LICENSE HOLDING COMPANY AND
DESIGNER EQUITY HOLDING COMPANY

By: /s/ Steve Ziangos
Labels Inter-Global Inc.
Attn: Steve Ziangos
109 W. 38th Street # 701
New York, NY 10018
(212) 398-0006

Dated: New York, NY
March 2, 2010

THE OFFICIAL COMMITTEE OF
UNSECURED CREDITORS OF DESIGNER
LICENSE HOLDING COMPANY AND
DESIGNER EQUITY HOLDING COMPANY

By: /s/ Susan Zhejun Tan
Ningbo Hyden's International, Ltd.
Attn: Leon Xin
9/F Kaiming Building
#12 Guoui Street, Ningbo, China

c/o Susan Zhejun Tan
39-07 Prince Street, Suite 3B
Flushing, New York 11354
(718) 886-6676

Dated: New York, NY
March 2, 2010

*Proposed Counsel for the Official Committee
of Unsecured Creditors*

ARENT FOX LLP

By: /s/ Schuyler G. Carroll
Schuyler G. Carroll
Ronni N. Arnold
1675 Broadway
New York, NY 10019
(212) 484-3900
(212) 484-3990 (Fax)

EXHIBIT A

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In re:	:	Chapter 11
	:	
DESIGNER LICENSE HOLDING	:	Case No. 09-17661 (JMP)
COMPANY, LLC, <i>et al.</i> ¹	:	
	:	Jointly Administered
Debtors.	:	
-----	X	

**AFFIDAVIT OF JAMES W. FOX PURSUANT TO BANKRUPTCY
RULE 1015(B) IN SUPPORT OF APPLICATION FOR AN ORDER AUTHORIZING
THE EMPLOYMENT AND RETENTION OF EXECUTIVE SOUNDING BOARD
ASSOCIATES INC. AS FINANCIAL ADVISORS TO THE OFFICIAL COMMITTEE
OF UNSECURED CREDITORS *NUNC PRO TUNC* TO FEBRUARY 1, 2010**

STATE OF NEW YORK)
) ss:
COUNTY OF NEW YORK)

I, James W. Fox, being duly sworn, depose and say:

1. I am a Managing Director of Executive Sounding Board Associates Inc. (“ESBA”), a management and financial consulting and advisory firm maintaining offices at 1350 Broadway, Suite 702, New York, New York, 10018.

2. This Affidavit is submitted in support of the application (the “Application”) of the Official Committee of Unsecured Creditors (the “Committee”) of Designer License Holding Company, LLC (together with Designer Equity Holding Company, LLC, the “Debtors”) for entry of an Order authorizing the employment and retention of ESBA as financial advisors to the Committee, *nunc pro tunc* to February 1, 2010.

3. Other than the initial communication between my firm and representatives of the Committee with respect to the retention of my firm in these cases, neither I, nor to the best of my

¹ The Debtors in these proceedings are Designer License Holding Company, LLC, and Designer Equity Holding Company, LLC.

knowledge any other member or employee of my firm, had any business, professional or other connection with the Debtors, their attorneys or accountants, or any other party in interest.

4. ESBA has no relationship with the United States Trustee for the Southern District of New York or with any person employed by the Office of the United States Trustee.

5. To the best of my knowledge, neither my firm nor any other member or employee thereof has had any connection with the Debtors' creditors or any other party in interest, or represents any entity having an interest in connection with the case.² Additionally, my firm has in the past and will in the future advise clients who have creditors in common with the Debtors.

6. Insofar as I have been able to ascertain, ESBA does not represent any interest adverse to the Debtors herein, or their estates in the matters upon which the firm is to be engaged and is "disinterested" within the meaning of section 101(51D) of the Bankruptcy Code.

7. ESBA will assist the Committee with the following:

- (a) Assist the Committee in refinancing and marketing and sales efforts of the Debtors and their assets, including locating potential purchaser and/or investors;
- (b) Assist the Committee in valuing the Debtors' assets, including, as appropriate, develop and/or review a liquidation analysis;
- (c) Assist the Committee in reviewing and evaluating all key documents in these cases;
- (d) Evaluate all pertinent aspects of the residual trademark inventory pursuant to the realization of maximum value for the same;
- (e) Review the prospects and opportunities for the Debtors as an ongoing business operation;
- (f) Analyze the Debtors' operations prior to and after the Petition Date as the Committee deems necessary;

² ESBA has run a conflicts search for the Debtors, Debtors' counsel, Israel Discount Bank and the Debtors' top 20 unsecured creditors. ESBA will perform a conflicts search for all the Debtors' unsecured creditors and other parties-in-interest and will update its disclosures in the event such update is necessary.

- (g) Analyze the Debtors' financial information prior to and after the Petition Date as the Committee deems necessary;
- (h) Assist the Committee in evaluating liquidating cash flows and/or other projections prepared by the Debtors-in-Possession or their financial advisors;
- (i) Assist the Committee in reviewing monthly statements of operations submitted by the Debtors-in-Possession or their financial advisors;
- (j) Scrutinize cash disbursements on an ongoing basis for the period subsequent to the Petition Date;
- (k) Conduct financial investigations that are necessary and appropriate to these proceedings, and report thereon to the Committee and its counsel;
- (l) Support the Committee and its counsel in efforts related to litigation and/or contested matters, as necessary;
- (m) Consult with the Committee and its counsel on financial matters and provide such other professional services as may be necessary;
- (n) Analyze transactions with insiders, related and/or affiliated companies;
- (o) Assist the Committee and its counsel in any litigation proceedings against the financing institution of the Debtors, insiders and other potential adversaries, providing testimony if necessary;
- (p) Assist the Committee in reviewing financial aspects of any plan of reorganization submitted by the Debtors or any other party-in-interest;
- (q) Assist the Committee in the financial aspects of developing a proposed plan of reorganization, if necessary;
- (r) Attend meetings of creditors and confer with representatives of the Committee and their counsel; and
- (s) Perform any other services as financial advisors to the Committee that the Committee may deem necessary or that may be requested by counsel or the Committee.

8. ESBA respectfully requests that an order of retention be entered based on the following hourly rates:

Managing Director	\$395.00 to \$450.00
Director	\$350.00 to \$375.00
Consultant	\$200.00 to \$350.00
Administrative Support	\$130.00

In addition, ESBA reserves the right to request a success fee in connection with the services rendered to the Committee under this engagement.

9. Periodically our hourly rates are subject to firm-wide adjustment. Expenses will be billed as incurred. ESBA will seek reimbursement of its expenses as allowed pursuant to the Bankruptcy Code, the Bankruptcy Rules, the Local Bankruptcy Rules, the United States Trustee Guideline and standing orders of this Court.

10. In accordance with Section 504 of the Bankruptcy Code, no agreement or understanding exists between me, my firm or any partner or employee thereof, on the one hand, and any other person, on the other hand, for the division of such compensation as my firm may receive from the Court herein, nor will any division of fees prohibited by Section 504 of the Bankruptcy Code be made by me, or any partner or employee of my firm.

11. I am aware that the services rendered by ESBA will be compensated only as authorized by further order of this Court following proper application therefore. Subject to the Court's approval, ESBA reserves the right to seek a success fee in connection with the services rendered in these cases.

12. It is respectfully submitted that the Committee's Application be approved and an Order entered authorizing the employment and retention of ESBA as financial advisor to the Committee on the terms set forth herein and in the accompanying Application.

I hereby certify that the foregoing factual statements made by me are true under penalty of perjury.

Dated: March 1, 2010

James W. Fox
JAMES W. FOX

Sworn to before me this 1st day
of March, 2010



Olga Ruiz
A Notary Public of State of New York
My commission expires October 13, 2013

EXHIBIT B

1. Labels Inter-Global Inc.
109 W. 38th Street #701
New York, NY 10018
Attn: Steve Ziangos
Tel. 212-398-0006
Stevez@labelsig.com
2. SEJ Group Co. Inc.
485 7th Ave, Suite 501
New York, NY 10018
Attn: Sam Hamway
Tel. 212-643-8500
Sam@sejgroup.com
3. E-Lo Sportswear Inc.
1 Cape May St.
Harrison, NJ 07029
Attn: Sam Kaplan
Tel. 862-902-5225
Skaplan@zaralo.com
4. Ningbo Hyden's International, Ltd.
Attn: Leon Xin
9/F Kaiming Building
#12 Guouli Street, Ningbo, China
leon@hydens.com.cn
c/o Susan Zhejun Tan
39-07 Prince Street, Suite 3B
Flushing, New York 11354
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susan.tan@ncny-law.com
5. Shanghai Maxitex Non-Ironing Garment Co., Ltd.
Attn: George Huang
R103, N05, 737 Lane, CAO X1BEI Road
Shanghai, China
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